

Letter to the President re: Social Security Privatization

December 15, 2004

The Honorable George W. Bush
The White House
1600 Pennsylvania Ave, NW
Washington, DC 20500

Dear Mr. President:

The undersigned members of the Leadership Council of Aging Organizations (LCAO) strongly believe that Social Security is the cornerstone of income security for retirees, survivors, disabled workers and their families in this nation and we are committed to ensuring its future. Because you have identified creating private accounts financed with Social Security funds as one of your top priorities, we urge your Administration to provide the American public with specific, transparent and comprehensive information about what effect those accounts would have on Social Security's long-term solvency; on Social Security's benefits, including benefits for survivors and disabled workers; and on the short and long term impact on the federal budget and the federal debt.

While increased longevity does present challenges, Social Security is not in crisis. With modest adjustments, Social Security will continue to provide our children and grandchildren with the same secure, life-long, inflation-protected foundation of retirement security.

As a nation, we should focus on how best to strengthen Social Security. The American public deserves a full national discussion with all the ideas on the table. LCAO believes we should reject costly plans that replace guaranteed benefits with additional risk on workers and their families. Personal accounts financed out of Social Security are not a solvency option. Transferring money away from Social Security into individual accounts worsens solvency and necessitates greater changes than would otherwise be needed to ensure long-term solvency. Financing private accounts will require trillions of dollars in tax increases, cuts to Social Security benefits, new government debt or substantial reductions in other government spending.

How these accounts would be paid for-- especially in light of sizeable and ongoing federal deficits—is a critical issue. Any accounting that disguises the costs of such partial privatization is unfair to the American public. It is particularly unfair to ask our children and grandchildren to pay twice to establish private accounts.

We, the undersigned organizations, urge a full accounting of the costs of partial privatization and how those costs would be met.

Sincerely,

AARP
AFSCME Retiree Program
Alliance for Retired Americans
American Association for International Aging
American Association of Homes and Services for the Aging
American Federation of Teachers Program on Retirement and Retirees
American Foundation for the Blind
American Geriatrics Society
Asociacion Nacional Pro Personas Mayores
Association for Gerontology and Human Development in Historically Black Colleges and Universities
B'nai B'rith International
Eldercare America, Inc.
Families USA
Gray Panthers

National Academy of Elder Law Attorneys
National Association of Professional Geriatric Care Managers
National Association of Retired and Senior Volunteer Program Directors, Inc.
National Association of Retired Federal Employees
National Association of Senior Companion Project Directors
National Association of Social Workers
National Caucus and Center on Black Aged, Inc.
National Citizens' Coalition for Nursing Home Reform
National Committee to Preserve Social Security and Medicare
National Hispanic Council on Aging
National Senior Citizens Law Center
OWL, the voice of midlife and older women
Service Employees International Union Retired Members Program